



United States
Department of
Agriculture

Farmers
Home
Administration

Washington
D.C.
20250

FmHA AN No. 2855 (1951-C)
September 9, 1993

SUBJECT: Delinquent FP Borrowers and IRS Offset

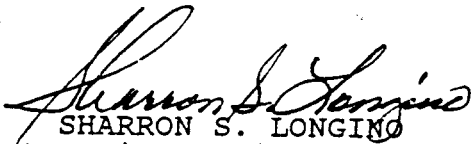
TO: State Directors
District Directors
County Supervisors

PURPOSE/INTENDED OUTCOME: The purpose of this AN is to provide field offices with guidance on how to screen delinquent Farmer Program (FP) borrowers whose names appear on the Internal Revenue Service (IRS) offset screening list AND whose files are being reviewed for the Secretary's loan servicing review. This AN also provides guidance on how to screen delinquent FP borrowers whose account servicing is affected by the suspension of accelerations and foreclosures.

COMPARISON WITH PREVIOUS AN: FmHA AN No. 2829, dated July 23, 1993, provides general screening procedures and ineligibility criteria for IRS offset.

IMPLEMENTATION RESPONSIBILITIES: If a delinquent FP borrower is on the IRS offset online screening list AND this borrower's file is being reviewed at the National Office for the Secretary's loan servicing review, this borrower is not to be deleted from IRS offset just because his/her file is being reviewed. The main IRS offset eligibility criterion for FP borrowers is that the account be accelerated. If the account is ultimately de-accelerated as a result of the review, then the borrower must be deleted from offset using delete code 15.

Also, for those delinquent FP borrowers whose files are not at the National Office for review, who have completed all 1951-S servicing and whose accounts have been accelerated, you may continue with IRS offset as long as the borrower remains eligible for offset.


SHARRON S. LONGINO
Acting Administrator

EXPIRATION DATE: June 30, 1994

FILING INSTRUCTIONS:
Preceding FmHA
Instruction 1951-C

Sent by Electronic Mail on 9/14/93 at 11:15am by GSS.



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